

No. 9702-77-32 Premium \$20.00 per annum STATE OF WASHINGTON, County of Kitsap (b) (6) We,, as principal....., and we, .. TRANSAMERICA INSURANCE COMPANY as sureties, all of the State of Washington, County of Kitsap... ourselves indebted to the State of Washington in the penal sum of Five Hundred (\$500) Dollars, and to the payment of which we are held and firmly bound, and do by these presents bind ourselves, our and each of our heirs, executors, administrators or assigns, jointly and severally, firmly by these presents. Sealed with our seals this ____day of ____day of ____day September The condition of the above obligation is such that, Whereas, the principal......, in the foregoing bond did enter into a certain lease and contract with the State of Washington (which is hereto attached and made part of this instrument, and all the conditions of which are written into and made part of this instrument), whereby the above bounden principal...... has leased from the State of Washington the part, lot or parcel of property described in said hereto attached lease and contract, upon all the conditions set up in said lease and contract: Now, therefore, if the said above named lessee, the principal, herein, shall well and truly perform all the conditions set up and prescribed in the said lease and contract hereto attached, in all and every part thereof, then this bond shall be considered satisfied and discharged; otherwise it shall have full force and effect. Signed with our hands and sealed with our seals, this day and year first above written. SEAL [SEAL] INSURANCE COMPANY Attorney-in-Fac day of. The foregoing bond and the sureties thereon approved this Commissioner of Public Lands. TO BE EXECUTED BY SUBERIES ONLY STATE OF CALIFORNIA SAN FRANCISCO COUNTY OF On this day of SEPTEMBER in the year one thousand nine hundred SIXTY-SIX , before me LILLIAN G. HOR TON Notary Public in and for the said County and State, residing therein, duly commissioned and sworn, personally ap-R. W. MAYTHAM, JR. known to me to be the duly authorized Attorney-in-Fact of the TRANSAMERICA INSURANCE COMPANY the corporation whose name is affixed to the foregoing instrument; and duly acknowledged to me that he subscribed the name of the TRANSAMERICA INSURANCE COMPANY thereto as Surety and his own name as Attorney-in-Fact. IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Notary Public in and for the State of Washington,

Residing at ...

Notary Public in and for said County and State

LILLIAN G. HORTON

My Commission Expires May 3, 1969

To have and to hold for the term of ten (10) years from the date of this instrument, for the purpose of building and maintaining upon the above described harbor area, wharves, docks and other structures for the convenience of navigation and commerce, as may be determined by legislative enactment or by rule of the Commissioner of Public Lands.

Application No.

This indenture is executed in consideration of the covenants and stipulations herein contained, and of the payment annually in advance of rental in the amount..... true value, in money, of the harbor area (exclusive of improvements) as fixed by the assessor of Kitsap ...County in accordance with the provisions of Sec. 130, Chap. 255 of the Laws of 1927 (RCW 79.01.520) as follows:

"The assessor shall thereupon determine the true and fair value in money of such harbor area (exclusive of the improvements thereon) as of March 1st preceding the date of the filing of such application, and certify the same to the Commissioner, which true and fair value in money of such harbor area, shall be the value at which the property would be taken in payment of a just debt from a solvent debtor. Such value shall be the basis of the rental until the assessor's next valuation, as herein provided. The assessor shall thereafter, in even numbered years, as of March 1st, place a valuation on such harbor area (exclusive of improvements) as above provided, and certify the same to the Commissioner and such valuation shall be the basis of rental for the two year period following such valuation."

The State of Washington shall have the right to regulate, either under rules established by the Commissioner of Public Lands, or by legislative enactment, or by both methods, the rates of wharfage, dockage and other tolls, to be imposed by the lessee...... upon commerce for any of the purposes for which said leased harbor area may be used, and to change such regulations and rates from time to time, and the right to prevent by such means and in such manner as it may adopt, extortion, discrimination, unequal or exclusive privileges, and to cancel this lease for the violation of any law, rule, regulation or order governing the same.

The State of Washington shall have the power by the Commissioner of Public Lands to cancel this lease upon a breach of any of its conditions by the lessee..... or for the failure or refusal of the said to erect, within a reasonable time hereafter, and continuously to operate and maintain in and upon the above described harbor area the wharves, buildings or other structures described and represented in the exhibits of improvements proposed to be erected therein by said lessee... which have heretofore been filed with the Commissioner of Public Lands, or as altered with the consent and approval of said Commissioner entered upon his records.

The State of Washington reserves unto itself, port district, county, city or other public agency in the territory where the portion of the harbor area described in this lease is located, the right to assume and thereafter hold this lease upon acquirement of the tide lands contiguous thereto and fronting thereon, without any value for said lease except for improvements thereon: Provided, That this covenant shall not be held to apply to any cancellation of this lease ordered by the Commissioner of Public Lands on account of fraud or breach of any of the covenants of this lease, or a failure to file and keep therewith a good and sufficient bond as provided by law, but in such case the improvements upon the said leased area shall become the property of the State.

The lessee...... shall not make or suffer to be made any artificial filling in of said leased area or any deposit of rock, earth, ballast, refuse, garbage or other matter within such area, except as provided by law or as approved in writing by the Commissioner of Public Lands.

If the said lessee...... shall fail to pay to the State the rental hereinbefore provided on the date when the same is due, or within sixty days thereafter, the Commissioner of Public Lands may declare this lease canceled and all rights or claims of the said lessee...... under this lease in and to the said area or in or to any improvement therein or thereon, shall immediately thereupon vest in the State of Washington.

The lessee....... herein shall not sub-let the whole or any part of said leased area except upon the written permission of the Commissioner of Public Lands.

All the conditions and covenants set forth in this indenture are declared to be of the essence of the contract, and a breach of any one is a breach of the whole.

Executed in duplicate this day and year above written.

following described property, tomit

Commissioner of Public Lands. econd part the following described prop (b) (6) FIRMESSETTL, That she Store of Washin (b) (b) Lessee. P. O. Address. Menlo ParkCounty, State of California San Mateo 94025

THE STATE OF WASHINGTON.

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S. F. No. 490-11-61-3M. 71165.